

# City of Indianola FY 2021 Budget Workshop

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CITY COUNCIL MEETING

FEBRUARY 18, 2020



# FY21 Budget Components

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- Revenue

- Property Tax Rate: \$13.625 (\$8.10 General, 0.197 Property Liability, \$4.579 Emp Ben, \$0.87 DS)
- Property Valuation increased: (Non-TIF: 3.12%, TIF: 8.64%, Average: 3.79%)
- Hotel/Motel Tax steady at \$150,000
- LOSST revenue should remain at \$1,200,000
- SAFER Grant Revenue-decrease to \$70,500
- PILOT: Sewer at \$160,000 and tentative numbers from IMU for Electric at \$778,335 and Water at \$73,452

- Expense

- Wage Adjustments – proposed increase of 3.0% (CBA and Market)
- Liability Insurance (property, auto): Estimate from broker – increase of 5%
- Health Insurance – increase of 10%

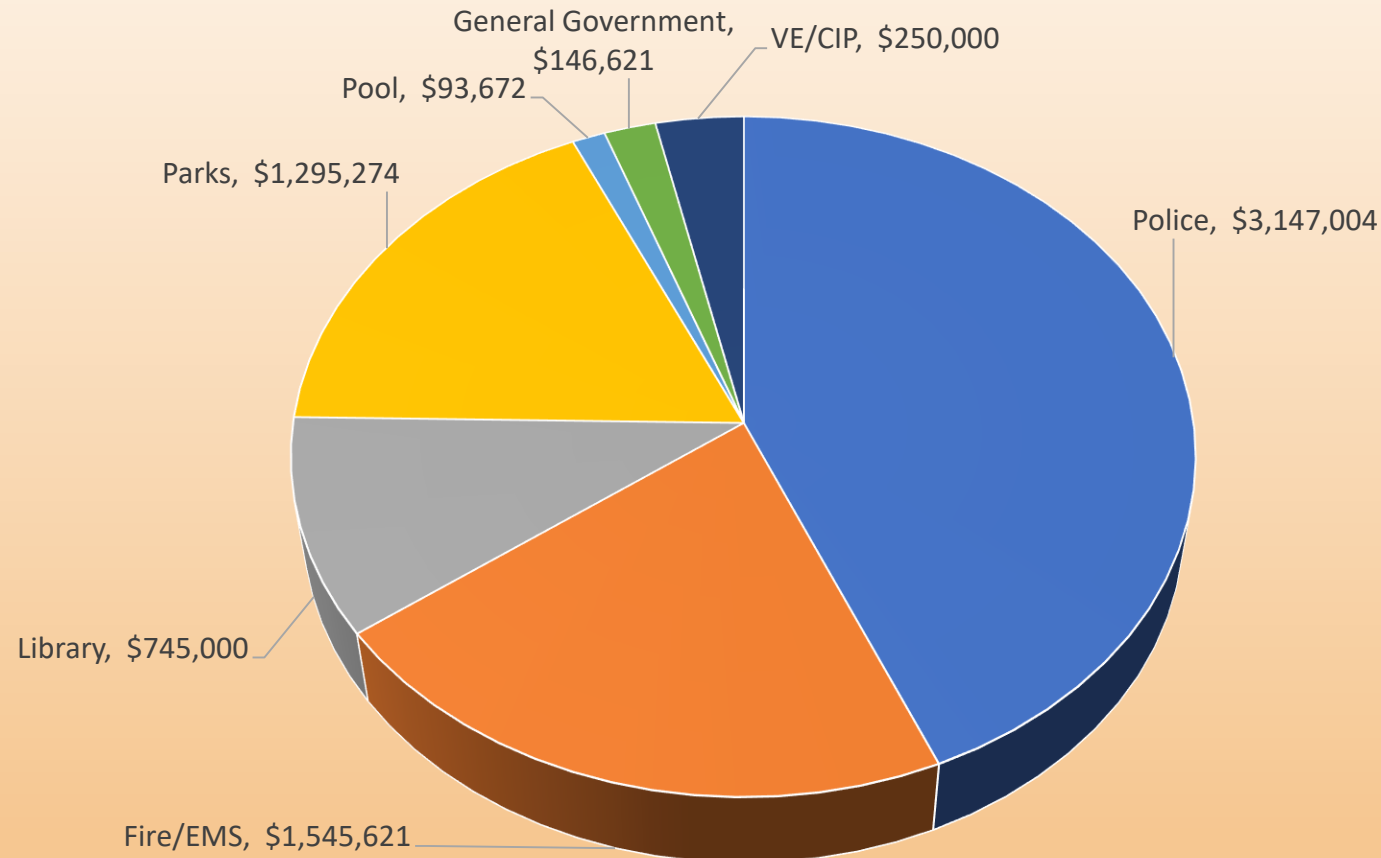


# FY20 Property Tax Breakdown

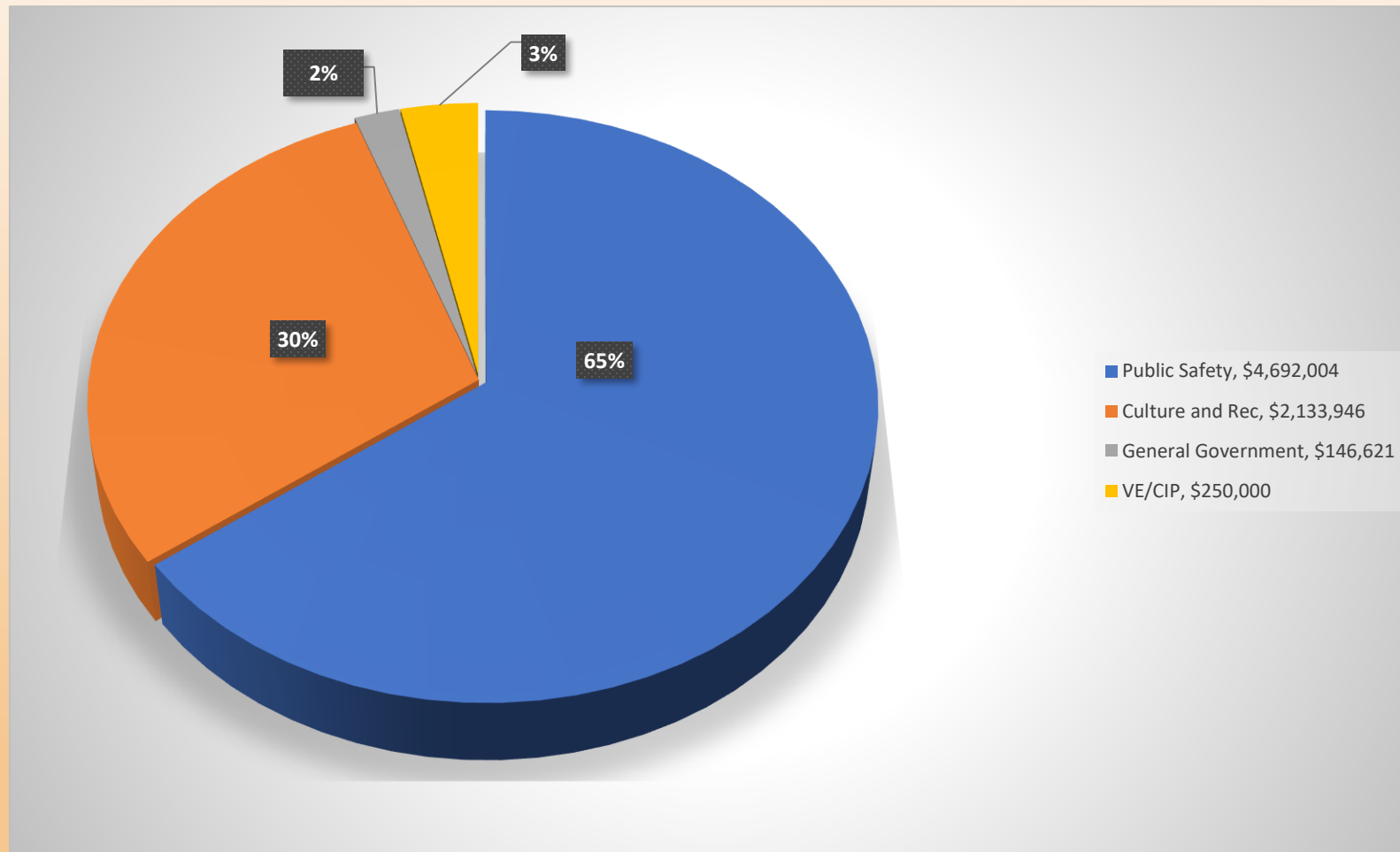
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<b><u>Property Taxes Breakdown</u></b>	
Operations	4,444,297
Employee Benefits	2,526,895
Debt Service	559,320
V/E and Capital Projects	250,000
Total	7,780,512

# FY21 Property Tax Breakdown-Departments



# FY21 Property Tax Breakdown-Function



# FY21 Property Tax Dollar-Departments



Parks,  
\$0.18

Pool,  
\$0.01

Fire/EMS,  
\$0.21

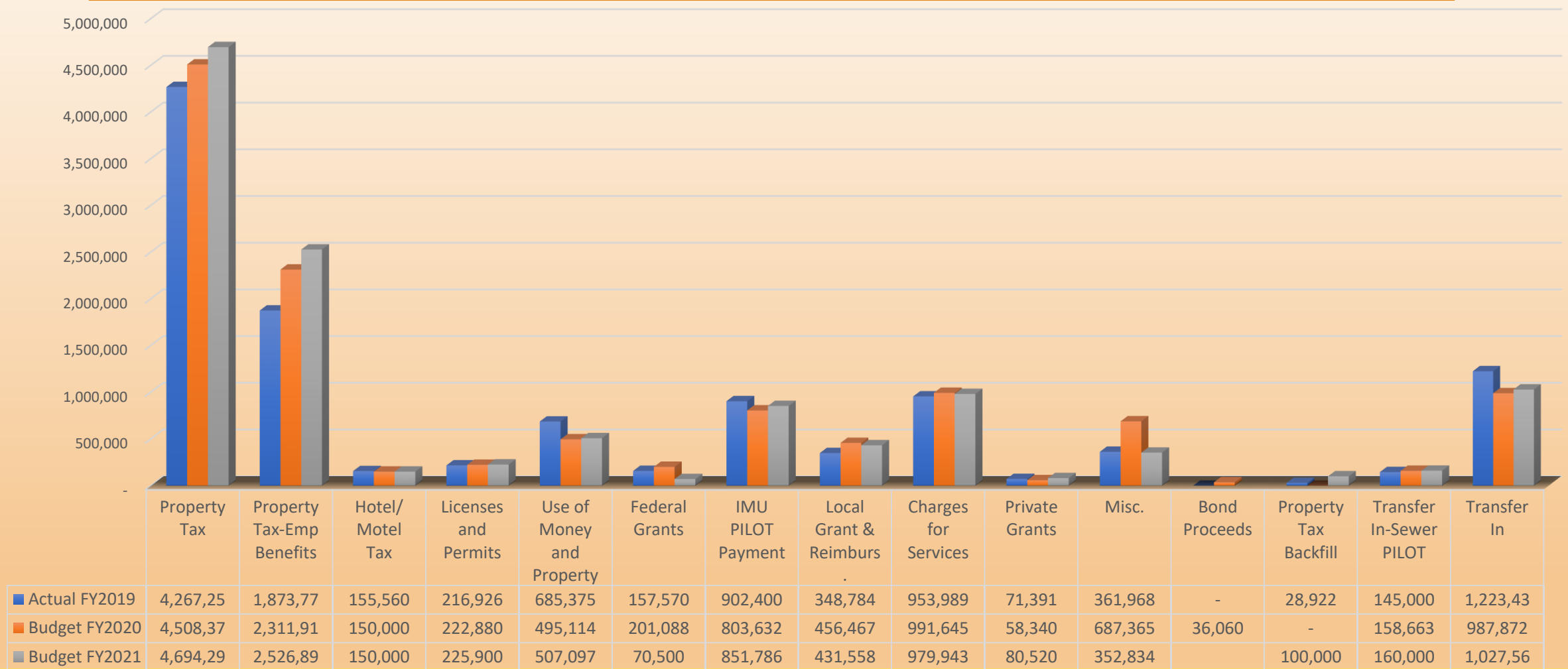
General  
Government,  
\$0.02

Library, \$0.10

VE/CIP, \$0.03

Police, \$0.44

# Sources of Revenue FY2019-2021



# FY21 General Fund Overview

<u>General Fund</u>	<u>Beginning</u>	<u>Revenue</u>	<u>Expenditure</u>	<u>Ending</u>	<u>Fund Balance Percent</u>
General Admin	1,922,326	2,962,373	3,023,457	1,861,241	62%
Downtown Rev Loan (IEDA) (Fund 160)	243,316	35,000	25,694	252,622	
Downtown Biz Loans (Fund 161)	56,573	30,000	10,000	76,573	
Police	1,497,227	3,881,317	3,917,877	1,460,667	37%
Fire	378,685	790,408	790,446	378,647	48%
Ambulance	53,355	1,740,885	1,743,539	50,701	3%
Library	200,716	825,000	828,213	197,503	28%
Library Spec Rev	43,548	22,000	22,000	43,548	
Parks	502,333	1,607,620	1,638,156	471,796	35%
Parks Spec Rev	106,246	-	6,000	100,246	
Pool	169,674	264,287	264,287	169,674	64%
YMCA Maint Fund	398,118	50,000	30,000	418,118	
MEC Franchise	743,033	140,000	240,000	643,033	
Vehicle and Equipment	790,022	997,046	1,672,546	114,522	7%
<b>Total</b>	<b>7,105,171</b>	<b>13,345,935</b>	<b>14,212,214</b>	<b>6,238,892</b>	<b>44%</b>

General Fund Balance Policy Requirement: 25%



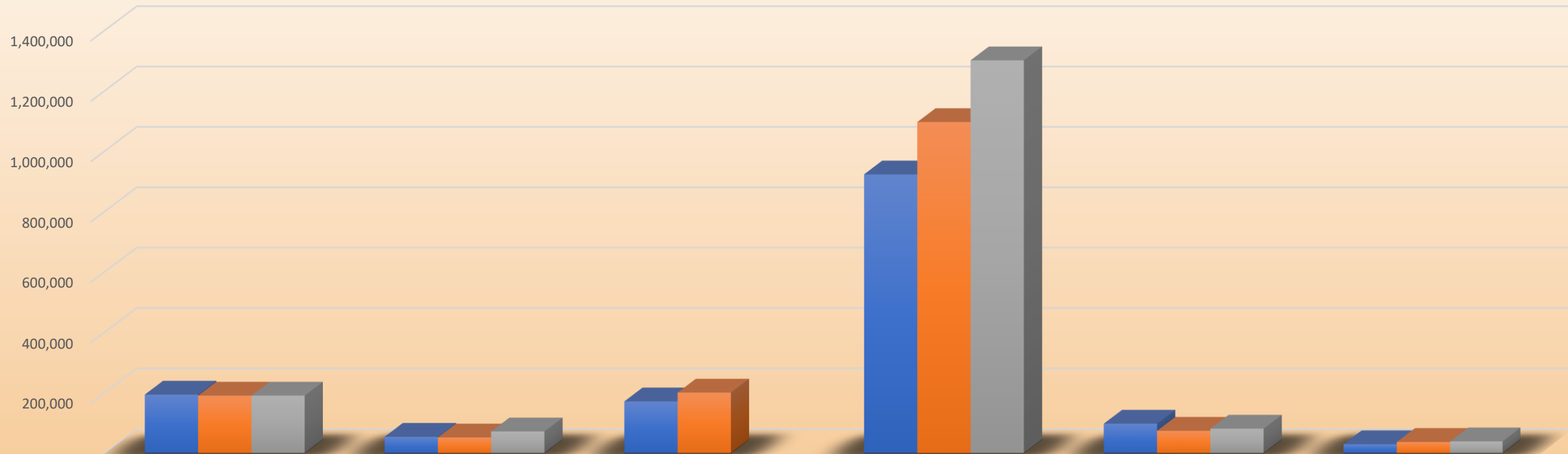
# Public Safety Function



	Police	Police Radio	Fire	EMS	Community Development
Actual FY2019	2,780,742	89,217	328,661	1,365,134	362,779
Budget FY2020	3,286,190	94,400	614,987	1,694,992	449,022
Budget FY2021	3,734,681	84,400	690,446	1,643,539	493,379



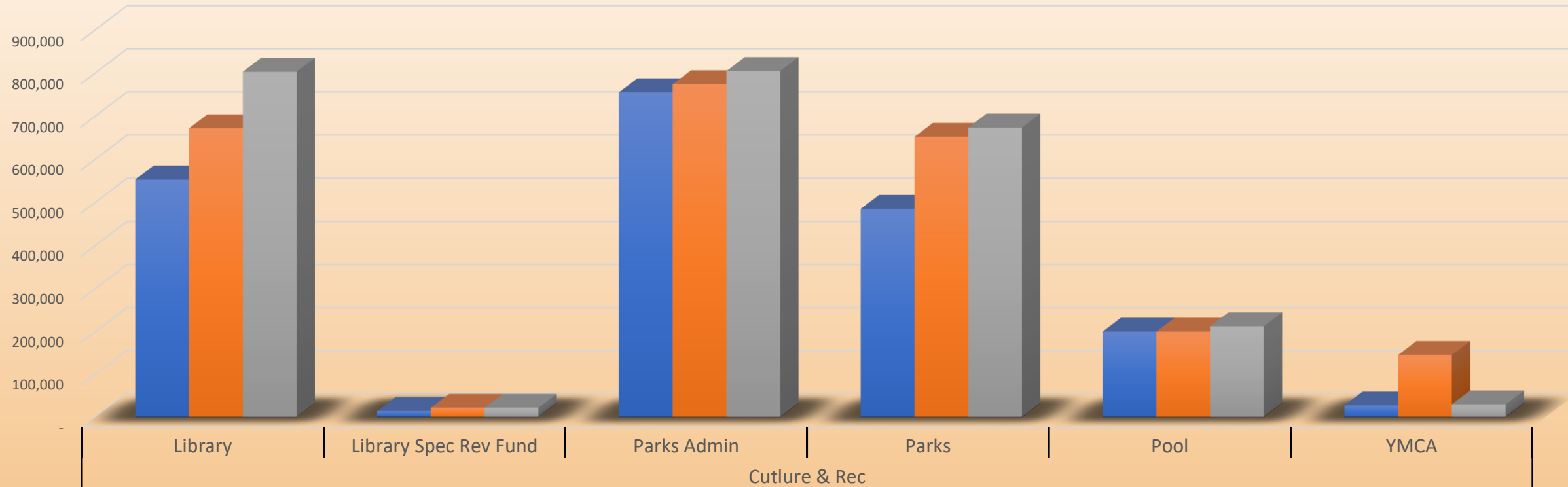
# Public Works Function



	Street Lighting	Brush Facility Public Works	Street GF Benefits Expense	Road Use Tax Fund	Snow Removal	Street Cleaning
Actual FY2019	193,489	54,291	170,965	922,496	97,486	29,703
Budget FY2020	190,000	52,177	200,000	1,095,844	74,078	37,361
Budget FY2021	190,000	71,811		1,300,356	81,049	39,236



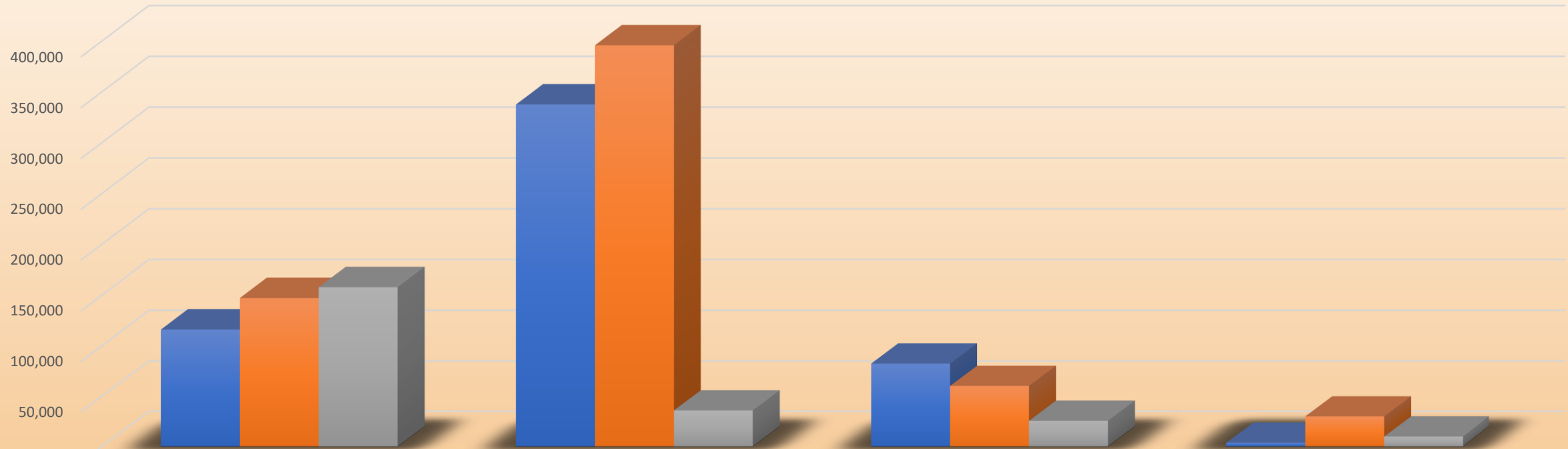
# Culture and Recreation Function



	Library	Library Spec Rev Fund	Parks Admin	Parks	Pool	YMCA
Actual FY2019	553,445	14,083	755,541	485,510	200,782	27,338
Budget FY2020	672,203	22,000	774,315	652,385	200,740	146,000
Budget FY2021	803,213	22,000	804,867	673,925	213,287	30,000



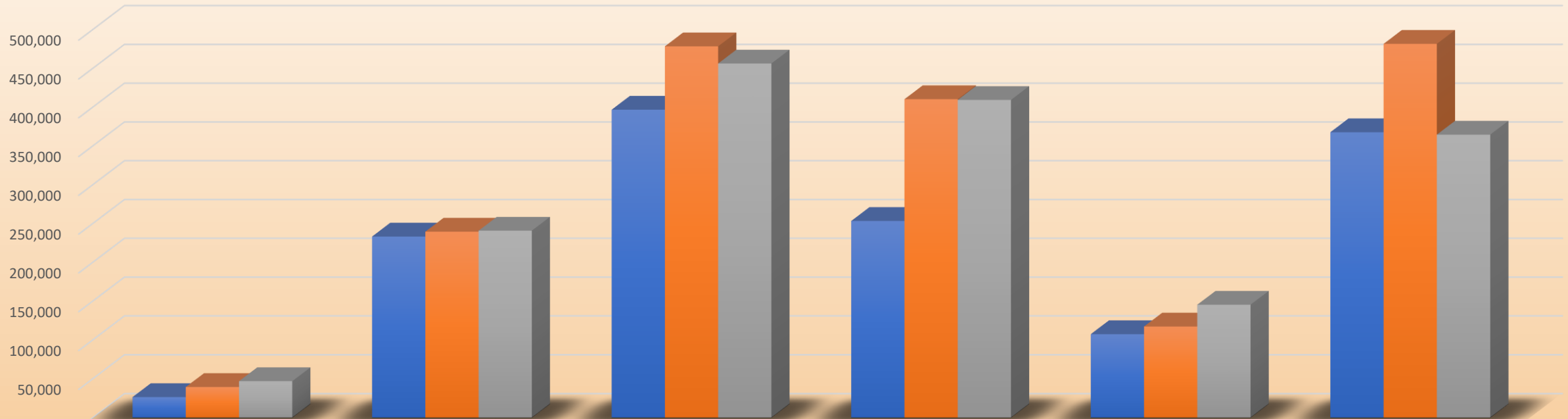
# Economic Development Function



	Community Betterment	Economic Development	Fund 160 Downtown RLF	Fund 161 Downtown BIZ
Actual FY2019	116,224	337,720	82,633	3,779
Budget FY2020	147,214	396,000	60,367	30,000
Budget FY2021	157,964	36,000	25,694	10,000



# General Government Function



General Government

	Mayor & Council	City Manager	Clerk/Finance	Information Tech	Human Resources	City Hall
Actual FY2019	26,566	233,384	396,873	253,465	107,582	367,859
Budget FY2020	39,528	239,660	478,551	410,400	117,419	481,739
Budget FY2021	47,069	240,939	456,417	409,457	145,461	364,712



# FY21 Special Revenue and DS Overview

<u>Special Revenue Fund</u>	<u>Beginning</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Ending</u>	<u>Fund Balance Percent</u>
<b>RUTF</b>	1,682,268	1,877,314	2,312,232	1,247,351	54%
<b>Employee Benefits</b>	73,113	2,581,171	2,526,895	127,389	
<b>LOSST</b>	5,367,679	1,200,000	1,500,000	5,067,679	
<b>Police Forfeiture</b>	19,830	-	-	19,830	
<b>Police Retirement</b>	16,422	-	16,422	0	
<b>Total</b>	<b>7,159,312</b>	<b>5,658,485</b>	<b>6,355,549</b>	<b>6,462,248</b>	
<b>TIF</b>	3,299,912	2,500,000	1,060,601	4,739,311	447%
<b>Debt Service</b>	720,453	1,748,627	1,738,373	730,707	42%

RUTF is the only Fund with a Fund Balance Policy Requirement: 50%



# FY21 Capital Projects Funds Overview

<u>Capital Projects Fund</u>	<u>Beginning</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Ending</u>
General Fund Capital Projects	542,662	404,000	329,000	617,662
Streets Capital Projects	(197,542)	490,000	240,000	52,458
Square Streetscape	-	4,400,000	2,000,000	-
D&D	90,596	-	-	90,596
<b>Total</b>	<b>435,716</b>	<b>5,294,000</b>	<b>2,569,000</b>	<b>760,716</b>

## FY20 Projects:

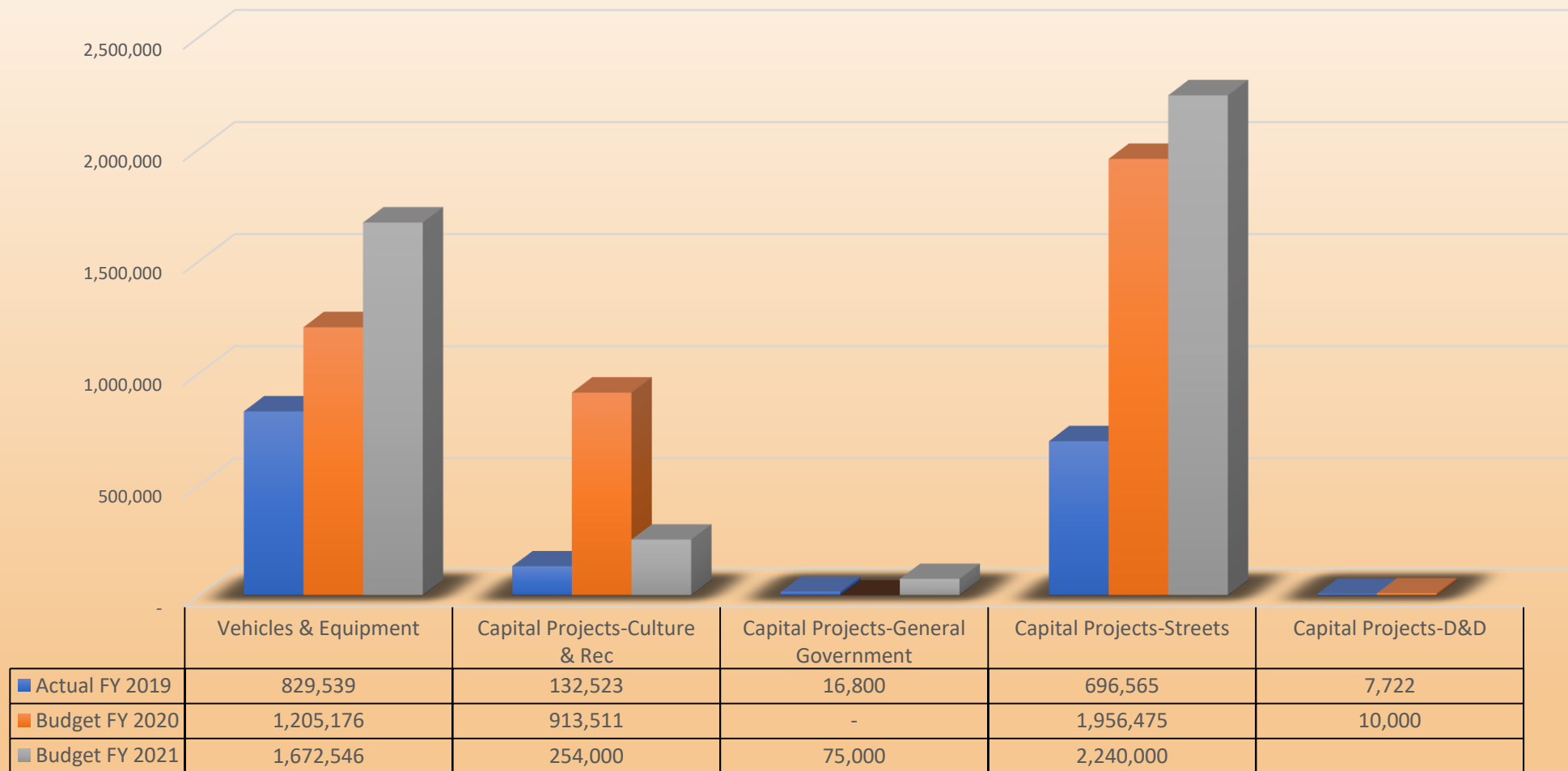
- Library: Wall repair and painting
- Parks:
  - EAB Program, Jerry Kelley Trail, East Hillcrest Trail, Pickard Park Improvements
- Pool
  - Yellow and Blue Slide Pumps, Overhead PA, Pool Painting
- Streets
  - Iowa Avenue Extension, Signal Timing with Improvements to Iowa and Ashland

## FY21 Projects:

- Library: Circulation Desk (may be deferred pending building study)
- Parks:
  - EAB Program, Jerry Kelley Trail
- Pool
  - Slide Refurbish, Pool Steps
- Streets
  - Square Streetscape Engineering and some Constructions, Clinton (Howard to Buxton), Street Indexing



# V/E and Capital Projects



# FY21 Storm, Recycling, Sewer Overview

<u>Business and ISF Funds</u>	<u>Beginning</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Ending</u>	<u>Fund Balance Percent</u>
WPC Operating	749,697	1,900,000	1,905,484	744,213	
WPC Capital	390,682	4,413,756	4,159,400	645,038	
WPC Reserve	114,239	-	-	114,239	
New WRRF Construction	567,572	18,244,000	18,244,000	567,572	
WPC Sinking Fund	299,152	880,000	879,521	299,632	

Storm Sewer Utility	123,039	210,000	248,103	84,936	34%
Recycling	132,171	288,000	278,043	142,128	51%

## FY20:

WPC: 3<sup>rd</sup> Ave Sewer, 15<sup>th</sup> St. Sewer, QM3 Lift Station, Annual Maintenance, WRRF

Storm Water: K Street Culvert, 2019 Drainage Improvements

## FY21:

WPC: South Plant Lift Station, Wesley Lift Station Controls, Annual Maintenance, WRRF

Storm Water: Utility Verification Process (Rates and Billing)



# General Fund and Debt Service Levy

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- City Tax Levy forecasted to increase by 35.5 cents.
  - New levy: Property and Liability Insurance (19.8 cents)
  - Employee Benefits (increase of 17.7 cents)
  - Debt Service (lower by 2 cents)
- Reasons
  - 2 new police officers; salaries and benefits (\$201,418)
  - 2 additional police vehicles and equipment (\$120,594)
  - New FT and PT library staff (\$99,213)
  - Loss of IMU AP Shared Services Revenue (\$50,000)
  - Multi-Family Residential Rollback (75% to 71.25%)



# FY21 Property Tax Dollar-Taxing Entities



City of Indianola,  
\$0.33

Warren County,  
\$0.17

Indianola CSD,  
\$0.44

Assessor, \$0.01

Ag Extension,  
\$0.01

DMACC, \$0.02

Other, \$0.03



# Property Tax Difference—FY20 vs. FY21

Rollback Percentages	FY2020	FY2021
Single-Family Residential	56.92%	55.07%
Commercial	90.00%	90.00%
Industrial	90.00%	90.00%
Multi-Family Residential	75.00%	71.25%
FY2020 Levy	\$	13.28
FY2021 Levy	\$	13.63

Difference in City Taxes				
Home Value	FY2020	FY2021	Difference	
\$ 100,000	\$ 755.81	\$ 750.42	\$	(5)
\$ 150,000	\$ 1,133.71	\$ 1,125.63	\$	(8)
\$ 200,000	\$ 1,511.62	\$ 1,500.84	\$	(11)
\$ 300,000	\$ 2,267.43	\$ 2,251.25	\$	(16)
Comm/Ind Value	FY2020	FY2021	Difference	
\$ 500,000	\$ 5,975.51	\$ 6,131.50	\$	156
\$ 1,000,000	\$ 11,951.01	\$ 12,263.00	\$	312
\$ 2,000,000	\$ 23,902.02	\$ 24,525.99	\$	624
MultiFamily Value	FY2020	FY2021	Difference	
\$ 500,000	\$ 4,979.59	\$ 4,854.10	\$	(125)
\$ 1,000,000	\$ 9,959.18	\$ 9,708.20	\$	(251)
\$ 2,000,000	\$ 19,918.35	\$ 19,416.41	\$	(502)

Council Direction?  
\$13.28 or \$13.63

Council gave  
direction to  
increase to  
\$13.63



# Community Requests

Council gave  
direction to  
increase to  
\$10,000

Projected Hotel/Motel: \$150,000

To Parks/Rec: \$25,000

Available for Requests: \$125,000

**Obligated by 28E (2/7 of Hotel/Motel):**

**BRAVO: \$42,857**

**CVB: \$42,857**

On January 6, 2020, Council directed  
to cap civic organization total requests  
to \$50,000

<u>Civic Organizations</u>	<u>FY21 Request</u>	<u>Median</u>	<u>Recommendation</u>
Des Moines Metropolitan Opera	10,000	6,500	10,000
Indianola Concert Association	500	500	500
Keep Indianola Beautiful	6,000	6,000	6,000
National Balloon Classic	15,000	8,000	8,000
Chamber of Commerce	10,000	7,000	7,000
Greater Des Moines Partnership	7,500	7,500	7,500
Indianola YMCA	5,000	5,000	Maint Fund
ICYF (Helping Hand) *	7,500	7,500	7,500
Warren County Fair	10,000	2,250	2,250
Dollars for Scholars	500	250	500
Sustainability Committee	250	250	250
	72,250	50,750	46,000



# Parking Lot Items

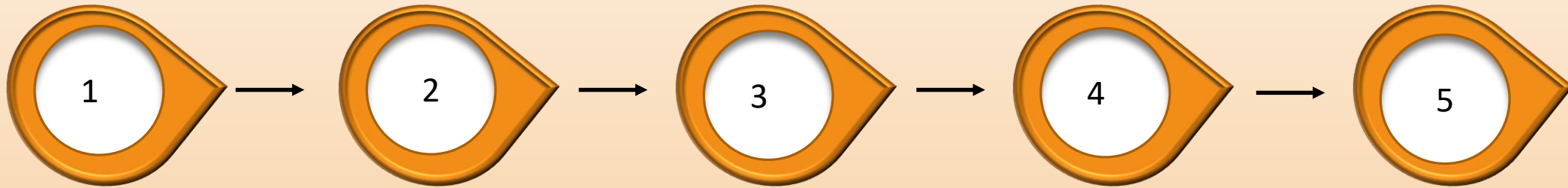
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- Following February 4<sup>th</sup> Debt Proforma, Need Council Direction on Prioritization of Hillcrest Avenue and K Street Projects
- Approximately half of Fire Department Aerial will be included in FY21 or FY22 borrowing
- City Hall/Public Safety Building Architectural Services-plan is to use the Backfill as one-time expense.

Council gave direction to work on Hillcrest Ave and K Street simultaneously



# FY21 Budget Next Steps



February 4;  
Debt Service  
Proforma and  
Set Date for  
Max Property  
Tax Dollars

February 18:  
Budget  
Presentation

March 2:

- Maximum  
Property Tax  
Dollars Hearing  
and Resolution
- Set FY21 Budget  
Hearing Date

March 25:  
Budget  
Hearing and  
Resolution

March 31:  
Budget due to  
County and  
State

# In Summary:

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## The City of Indianola FY21 Budget

- Meets all Financial Policy Requirements
- Continues Council's Goal for Public Safety Staffing
- Aligns with Priorities Identified by Community as Part of Comp Plan Survey
- Continues to Invest in City Infrastructure



# COMMUNITY ENGAGEMENT

June 24 – August 19, 2019 – ~10.2% of population; ~13.7% of ages 20 and over

## METROQUEST ONLINE SURVEY – 1,635 PARTICIPANTS



### TOTAL BUDGET ALLOCATED TO EACH CATEGORY FOR ALL PARTICIPANTS

CITY BUILDINGS .....	20,556
DOWNTOWN .....	25,656
NATURAL ENVIRONMENT .....	15,145
PARKS .....	21,793
ROADS .....	38,229
TRAILS .....	16,093

### WHAT'S MOST IMPORTANT?

